



Staff Report

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Honorable Mayor and Members of the Hermosa Beach City Council Regular Meeting of May 26, 2020

RECOVERY MEASURES TO SUPPORT BUSINESSES AS THEY SAFELY REOPEN UNDER THE COUNTY'S PHASED PROGRAM

(Community Development Director Ken Robertson)

Recommended Action:

Staff recommends that the City Council: continue to follow the phased business reopening plan from Los Angeles County Department of Public Health and expedite outdoor dining and retail opportunities as a temporary measure to help businesses reopen successfully while meeting social distancing and safety requirements through the following recommendations;

1. Authorize the City Manager to execute the attached Executive Order to establish temporary outdoor dining and retail permits, and temporarily suspend the requirement for a Conditional Use Permit or parking for said permits; and
2. Direct the City Manager regarding the appropriate initial permit fees and ongoing encroachment fees for the outdoor permits.
3. Discuss and consider other possible recovery measures and provide direction to Staff or the Economic Development Committee as appropriate.

Executive Summary:

The Hermosa Beach business community has expressed interest in accelerating opening of their businesses. For example, a proposal from the Hermosa Beach Downtown Business Association, attached, includes several recommendations to City Council. Currently the City is committed to following the Los Angeles County's program to phase reopening of businesses depending on the type of business. In the meantime, the City can anticipate and prepare for the next steps, including the ability to provide temporary outdoor dining and outside retail display, with implementation of outdoor dining contingent upon approval of the Los Angeles County health orders to re-open restaurants.

This report summarizes the City's actions to date, activities currently in-progress, and the proposed temporary outdoor dining and outdoor retail permits for consideration by the City Council.

Background:

Local businesses are understandably eager to reopen as soon as possible, however, the LA County Public Health Order is very clear on the current limitations and phasing that is necessary to carefully ease back into day-to-day activities. This phasing is being implemented to avoid overwhelming our

healthcare system and seeing a second curve that is worse than the first and we believe that reopening ahead of public health orders could delay progress and the full reopening that we all desire.

In preparing for this reopening, staff has been working on a program to expand available outdoor areas for conducting business as an effective way to help our local businesses to meet physical distancing and safety standards - including accessibility and liability requirements. This effort involves obligations by the City to establish standards to ensure public safety and accessibility, and temporarily suspend requirements of the municipal code.

Staff is prioritizing our limited time and resources and energy is toward helping businesses to adjust operations and procedures for a successful re-opening when public health metrics permit. Rushing ahead of public health order amendments could jeopardize the City's ability to implement these programs if not done safely and risk a setback to the full economic reopening goal of July 4th that the County announced on May 20. Since COVID-19 cases will likely continue to occur as businesses re-open, staff is focusing on helping businesses be ready to put safety protocols in place, test new ideas, and transition to a new 'normal', as the best approach to having a vibrant Hermosa Beach business community in the long-term.

The County of Los Angeles issued a Roadmap to Recovery with a phased approach to business reopenings by sector when it is determined to be safe and includes safety measures such as physical distancing, face masks for customers and employees, and hand washing requirements, and the Beach Cities Health District is also preparing a tri-city "Re-opening Resource Guide."

The California Department of Alcoholic Beverage Control (ABC) has released a series of Regulatory Relief measures, including the allowance of alcoholic beverages with take-out restaurant operations. The latest, known as Fourth Notice of Regulatory Relief, <https://www.abc.ca.gov/fourth-notice-of-regulatory-relief/> allows restaurants to expand their footprints for outdoor dining through a Temporary Permit. This permit requires approval from the local jurisdiction prior to ABC application and a \$100 fee.

In order to allow Hermosa Beach businesses to take advantage of the ABC Temporary Permit as well as the anticipated next phase of business openings from LA County, staff seeks City Council authorization of a temporary administrative permit process for outdoor dining and retail sales.

Recent Governmental Actions

Governmental Agency	Description
May 6, 2020	Los Angeles County Releases Roadmap to Recovery with Phased Plans for Business Re-Opening Outlined. Phase 1 Includes Planning for Re-Opening.
May 8, 2020	Los Angeles County Allows Some Retailers to Open in Phase 2 for Curbside Pick Up (Florists, Bookstores, Clothing Stores, Music Stores, Sporting Goods Stores), Car Dealerships, Golf Courses, and Trails.
May 15, 2020	California Alcoholic Beverage Control (ABC) issued its Fourth Notice of Regulatory Relief With Permit for Expansion of Business Footprint through Outdoor Dining with ABC Temporary Permit.
May 25, 2020	California Governor Newsom announced that all retail stores will be able to reopen for in-store shopping with limited capacity, mask requirements and physical distancing.
May 26, 2020	Los Angeles County expected to update its health orders to address retail stores opening.

Discussion:

Completed City Activities

After the City Council met to declare an emergency at a special meeting and declaration of an emergency on March 16, 2020 and state and LA County Safer at Home orders were issued, City executive staff began meeting daily to discuss the many impacts to the community and measures the City can take to assist Hermosa Beach residents and businesses. This commitment has been demonstrated through the time spent with our businesses and through the myriad of regulatory relief measures/support the City has enacted over the last two months, which include:

1. Extended Business License renewal due dates
2. Extended Parking Permit renewal due dates
3. Delayed Parking Citation unbilled late fees
4. Waived Temporary Banner/Sign permit fees
5. Suspended Restaurant Encroachment fees until further notice
6. Created several 15 minute parking zones to facilitate takeout/delivery
7. Enacted a temporary moratorium on foreclosures and evictions
8. Preparing grant applications to support safe use of outdoor space by businesses
9. Walking tour with City Council and business representatives

Current City Activities

Staff from all departments have been working together to meet the needs of the business community during this time. Some of the activities underway include:

1. Establishment of an Economic Development Committee with representatives from City Council

- and Planning Commission. The first meeting is tentatively scheduled for the week of June 1st.
2. Smart Streets Program currently under consideration.
 3. Keeping current on rapidly changing State, LA County, and Beach Cities Health District updates.
 4. Continuation of daily meetings of the City's executive team.

Proposed Outdoor Dining and Retail Display Permits

When restaurants are permitted to re-open, it is expected that they will be limited to a smaller portion of previous capacities in order to ensure consistency with social distancing and safety requirements. Though the State has announced that retail stores can now re-open, with LA County likely to agree, health orders require social distancing requirements that will limit the number of patrons that can browse in retail stores.

For these reasons, staff seeks authorization to implement the proposed Temporary Outdoor Dining and Retail Display permits for businesses impacted by the limited number of patrons allowed during re-opening and until the limits under the health orders are lifted. Expanding available outdoor areas in public and private spaces for conducting business will be an effective way to help our local businesses to meet physical distancing and safety standards. This effort involves obligations by the City to establish standards to ensure public safety and accessibility, and temporarily suspend requirements of the municipal code that otherwise require a Conditional Use Permit and parking for outdoor uses that don't meet current minimum standards of the code.

Temporary Outdoor Dining and Retail Display permits would be approved on a case-by-case basis and require certain standards to be met. The outdoor areas can be on private property, including parking lots, or in suitable locations on public sidewalks, plaza, or street parking (or combination of public and private areas). The process would be through an expedited Administrative Permit. Staff will endeavor to expedite simple permits on private property by the following day. More complicated permits that involve review of multiple departments and encroachment permits will be reviewed as soon as possible with a target of two weeks maximum.

Copies of the proposed design and operational standards are attached to this report and referenced in the proposed Executive Order. Staff would also be committed to assisting local businesses prepare and implement their outdoor dining and retail operations in a timely manner. This will include reaching out about the availability of the program, providing resources (such as GIS mapping or aerial photography) for the preparation of initial site plans, and conducting preliminary inspections and advice to individual business owners to assist them with their applications.

General Plan Consistency:

This report and associated recommendation have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

Governance Element

Goal 7. Community sustainability and health are a priority in policy and decision-making.

Policies:

- **7.2 Health conditions.** Support the work of Beach Cities Health District to monitor health and well-being monitoring and tracking of health outcomes
- **7.3 Health in all policies.** Integrate health, livability, and sustainability

Principles when adopting new policies and periodically review and evaluate adopted policies for their impact or opportunity to improve health, livability, and sustainability.

Land Use Element

Goal 1. Create a sustainable urban form and land use patterns that support a robust economy and high quality of life for residents.

Policies:

- **1.3 Access to daily activities.** Strive to create sustainable development patterns such that the majority of residents are within walking distance to a variety of neighborhood goods and services, such as supermarkets, restaurants, churches, cafes, dry cleaners, laundromats, farmers markets, banks, personal services, pharmacies and similar uses.
- **1.4. Diverse commercial areas.** Promote the development of diversified and unique commercial districts with locally owned businesses and job- or revenue-generating uses.

Land Use Element

Goal 13. Land uses patterns that improve Fiscal Impact: the health of residents.

Policies:

- **13.5 Improved livability.** Encourage the provision of neighborhood and community amenities and design features, to meet the community desire for a very high quality, amenity-rich, livable community.
- **13.6 Connecting health and land use.** Seek to incorporate health considerations into land use planning decisions in a manner that improves health and well-being.
- **13.7 Collaborative health partnerships.** Build and maintain partnerships with the Beach Cities Health District, health care providers, and community-based organizations to evaluate and implement land use projects in a manner that improves community health.

In addition, “The Public Safety Element establishes goals, policies, and actions that protect the community from risk associated with hazards and public safety concerns. First, a safe, healthy environment is critical for good quality of life. Second, if we do not adequately prepare for hazards and create a resilient community, natural disasters will have a greater effect on our community, leading to increased injuries and property damage. And none of these are good for our economy. Conversely, creating a resilient town will lead to a more stable and healthier economy as avoidance of hazards will minimize the disruption of local commerce” (PLAN Hermosa page 29).

The Infrastructure Element “provides goals, policies, and actions to maintain and improve infrastructure systems. Improving the efficiency and quality of the City’s infrastructure systems makes them more resilient to changing environmental and economic conditions” (PLAN Hermosa page 29).

Fiscal Impact:

Staff anticipates the program will help restaurants and retailers reopen successfully closer to fully capacity, which should help reduce a downward trend in sales tax receipts, and to eventually help sales tax receipts to return closer to normal.

To achieve full cost recovery for the permit program, estimated staff time for implementing the program the following initial fees are recommended:

- Administrative Permit Fee: \$240
- Initial Encroachment Permit Fee (if on public property) \$570

Typically ongoing encroachment fees are charged for use of sidewalk areas, expanded areas on Pier Plaza, or other public rights of way, to align with the City’s current encroachment fee program. Currently those fees are waived until further notice. Otherwise, the fees vary depending on a variety of factors, including if alcohol is served and hours of operation of the outdoor seating area.

The Downtown Business Association or Chamber of Commerce may also be interested in obtaining contributions to a recovery fund to help fund either city fees or other costs that businesses will be facing to launch this outdoor dining or retail program.

Attachments:

1. Proposed Executive Order
2. Exhibit A Outdoor Dining Design and Operational Standards
3. Exhibit B Outdoor Retail Design and Operational Standards
4. Hermosa Beach Downtown Business Association proposal

Respectfully Submitted by: Christy Teague, Senior Planner and Yuritzy Randle, Assistant Planner

Concur: Ken Robertson, Community Development Director

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager